

*Public insurance option based on the current flawed Medicare formula would harm Minnesota and is "unacceptable"*

Washington, DC – Congresswoman Betty McCollum (MN-04) today successfully secured the support of Minnesota's entire bipartisan Congressional delegation for a letter to President Obama urging him to address decades of inequitable Medicare payments and reward states, like Minnesota, that have set a high bar for delivering cost-effective, quality care.

"The current unfair Medicare reimbursement formula is no longer tolerable. I cannot in good conscience vote for a health care reform bill that further harms Minnesotans who pay equally into Medicare. These inequities should not be extended into a public insurance plan if our goal is better health care outcomes," Congresswoman McCollum said.

The bipartisan letter signed by McCollum along with U.S. Senators Amy Klobuchar, Al Franken and U.S. Representatives James Oberstar, Collin Peterson, Tim Walz, Keith Ellison, Erik Paulsen, John Kline and Michele Bachmann, states, "This inequity is no longer tolerable and we urge you to work with us to fix this problem in any health care reform legislation voted on in the U.S. House. All Americans pay equally into Medicare, yet beneficiaries in Minnesota are severely disadvantaged in the essential benefits they receive when compared to citizens in other states, such as Florida, New York, or California. Why are Minnesotans paying higher premiums for prescription drugs, dental, vision and hearing services while residents of other states receive those benefits free of any additional cost?"

During a meeting with House leaders yesterday, Congresswoman McCollum expressed her support for creating a value index for the Medicare reimbursement equation that measures both quality of care and cost of care in order to provide an incentive for physicians to provide a higher level of care and decrease costs. She united the Congressional delegation to send a clear message to the President about their dissatisfaction with the flawed Medicare formula that "continues to penalize Minnesota taxpayers, patients, providers, hospitals, counties, and the entire health care sector that provides high-quality, low-cost care." The letter states, "As your Administration advocates for health care reform legislation moving forward in Congress, we want to make you aware that Minnesota is a state in which the quality of care exceeds the

national average and per-beneficiary fee-for-service Medicare costs are substantially lower than the national average.”

[Click here](#) for PDF of the letter

Text of Letter:

July 22, 2009

President Barack Obama

The White House

1600 Pennsylvania Avenue, N.W.

Washington, DC 20500

Dear President Obama:

As your Administration advocates for health care reform legislation moving forward in Congress, we want to make you aware that Minnesota is a state in which the quality of care exceeds the national average and per-beneficiary fee-for-service Medicare costs are substantially lower than the national average. Our "low-cost, high-quality" state is setting the national standard for Medicare, yet we are penalized by the current geographic payment inequities in the Medicare reimbursement formula. This inequity is no longer tolerable and we urge you to work with us to fix this problem in any health care reform legislation voted on in Congress.

All Americans pay equally into Medicare, yet beneficiaries in Minnesota are severely disadvantaged in the essential benefits they receive when compared to citizens in other states, such as Florida, New York, or California. Why are Minnesotans paying higher premiums for prescription drugs, dental, vision and hearing services while residents of other states receive those benefits free of any additional cost? This flawed Medicare formula continues to penalize Minnesota taxpayers, patients, providers, hospitals, counties, and the entire health care sector that provides high-quality, low-cost care.

Furthermore, any public insurance option that is based on Medicare's current reimbursement formula would only further penalize Minnesota and undermine the very success our state has attained in delivering efficient, quality care. Please know that we view any health care reform legislation that perpetuates or extends the current inequity in Medicare as harming Minnesota's health care system which is obviously unacceptable to us and our constituents.

Mr. President, we must ensure that any health care reform legislation includes benefits for our constituents and the state of Minnesota. We look forward to working with you in the upcoming weeks to find a solution to this important issue.

Sincerely,

*Congresswoman Betty McCollum (MN-4) serves on the House Appropriations & Budget Committees.*

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